Personal and household services (PHS) in Slovenia

PERHOUSE interim meeting, 25 May 2023

Branko Bembič University of Ljubljana, Faculty of Social Sciences

The project is funded by the European Union; Project No. 101052340





Structure of the presentation

A working hypothesis on underdevelopment of PHS in Slovenia

Presented will be the following PHS in the following three subsectors:

- Preschool care and education
- Long term care
- Non-care

For each of the sectors the following aspects will be described:

- Main features of the regulation
- Types of employment predominating in the sector
- Industrial relations
- Approx. number of workers

Low level of formal employment in PHS?

Guzi et al. (2022) find the PHS sector in Slovenia underdeveloped.

Low level of PHS may be due to relatively developed forms of institutionalised provision of care?

Childcare

In the institutions and PHS

Childcare: regulation (Q85.1, NOT Q88.910)

Affordability:

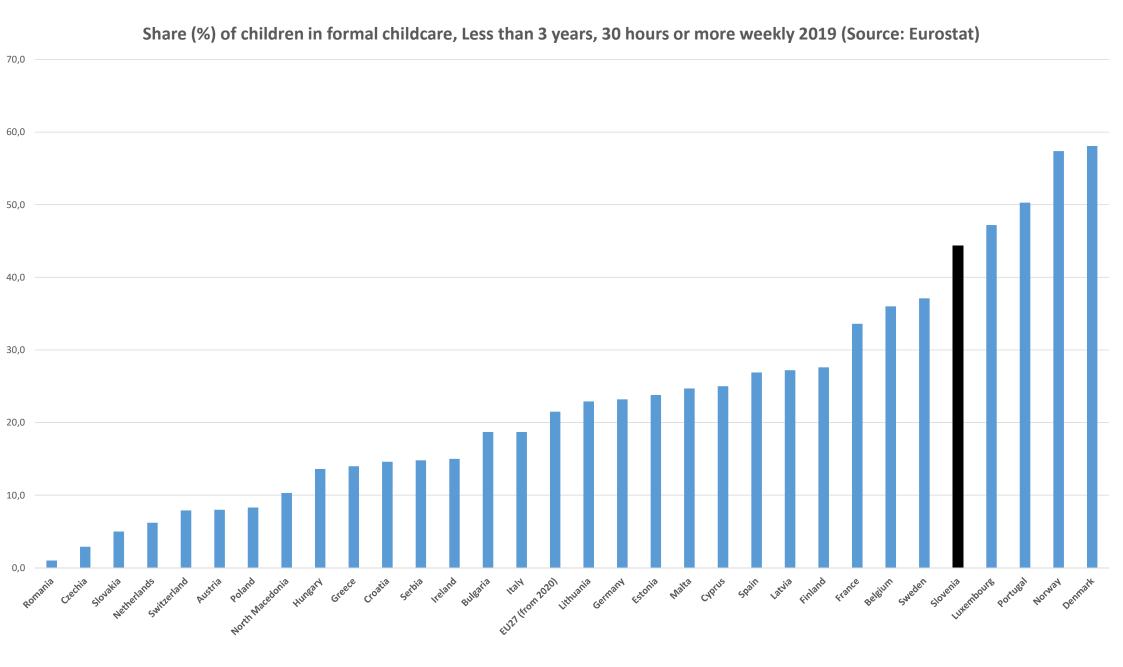
- Public financing of childcare after the age M11
 - Public or private kindergartens eligible but subject to approval of curriculum
 - Payment progressive: subsidy from 0-77%, parents pay on average from €0 to cca €400
 - Payment only for the first child (if two in kindergarten), the third and others free of charge
- Alternative: private childcare care at care provider's home (regulated)

Quality of service:

- From 9-12 (under 3 years) and up to 22 (4-6 years) children per department
- Staff of two: preschool teacher (ISCED 6) and preschool teacher assistant (ISCED 3),
- Food prepared in-house, included in price, 4 meals

Accessibility:

- open 11-12 hours per day, a child can stay up to 9 hours/day
- Some kindergartens open on weekends

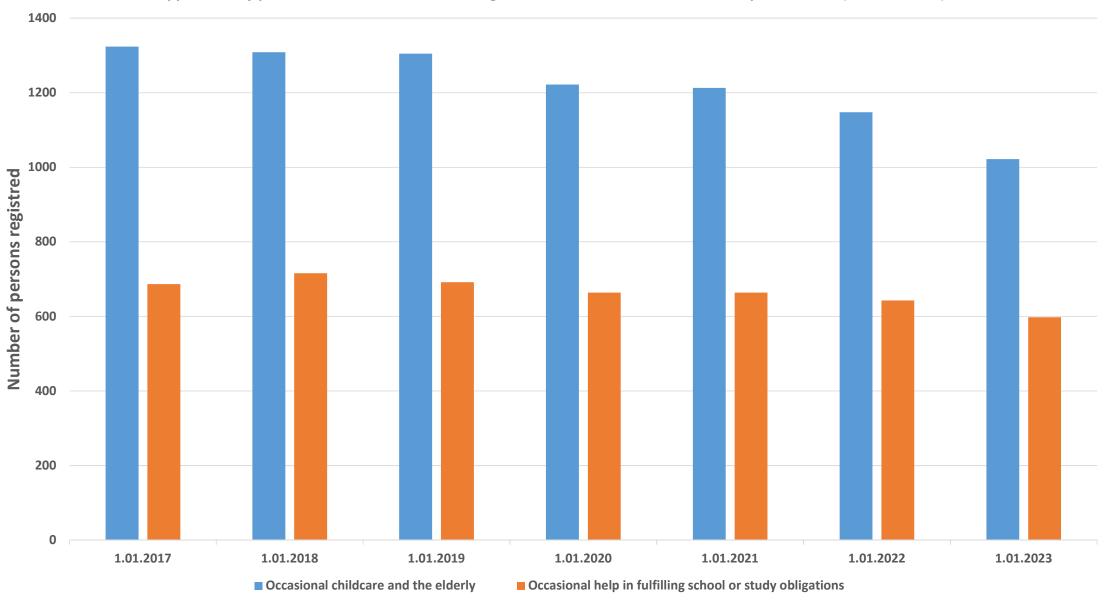


What about childcare as PHS?

With quality, affordable, accessible and regulated public provision options for PHS are very limited.

The only option seems to be *personal supplementary work (PSW)*:

- A measure for prevention of undeclared work
- Introduced after proposed for German style mini-jobs rejected in referendum
- PSW is limited both in respect of:
 - Earnings (max equivalent of 3 net average wages in Slovenia)
 - Content of work: household services, including childcare, elderly care, cleaning + some other
 - Client: household services cannot be performed for legal persons, self-employed etc.
- Tax and social insurance in case of PSW:
 - Personal income tax is applied to the PSW
 - Social insurance (health and pension insurance) is paid via voucher

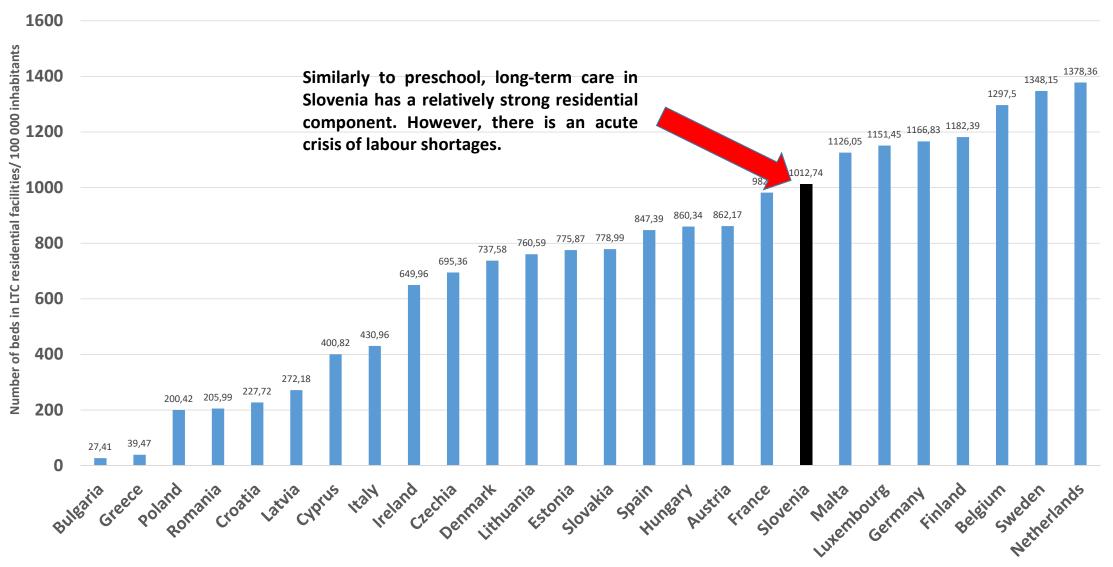


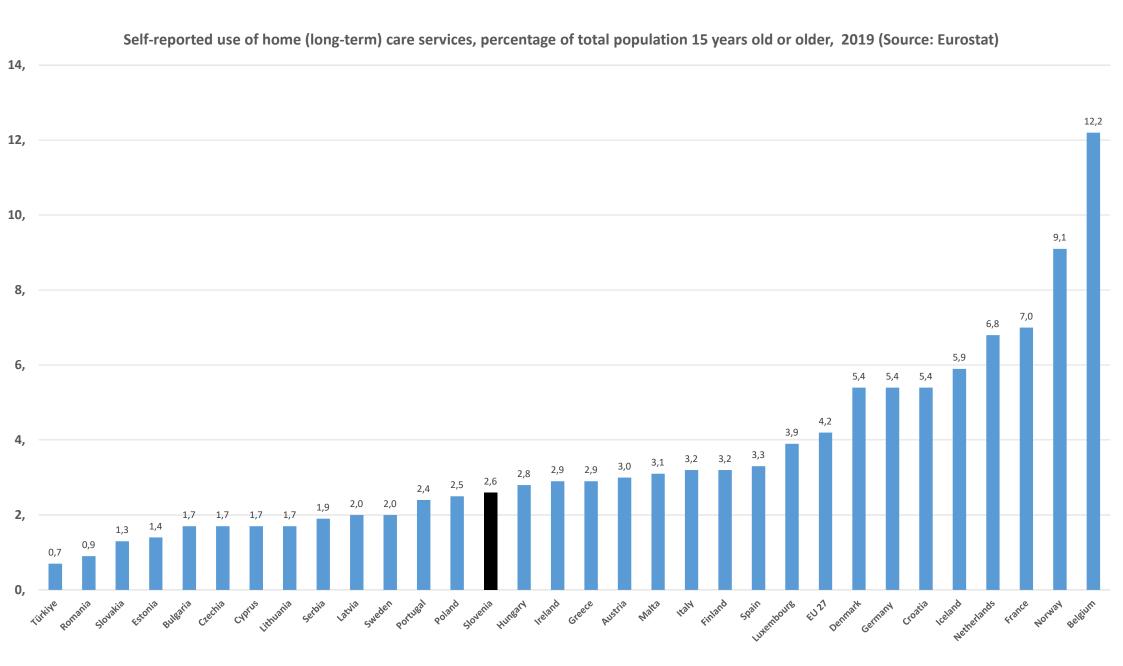
Supplementary personal work, occasional mending of children and occasional school help, 2017-2023 (Source: AJPES)

Long-term care

Residential and PHS

Long-term care beds in nursing and residential care facilities per hundred thousand inhabitants, 2019 (Source: Eurostat)





Home provision of long-term care services

Home help: elderly people and people with disabilities

- Help with domestic work, daily activities and maintaining social contacts
- Provision organized by the municipalities concession
- A variety of contractors (concessionaires)
 - home for the elderly, social work centres, specialised institutions, private providers
- Financing: users (cca 25-30%) + subsidised by municipalities (cca 70-75%)
- Educational requirement for carers: NVQ + special training (480 hrs)
- Forms of employment: mostly standard employment, cca 14% fixed-term
- Industrial relations:
 - Covered by public sector CA (including concessionaires);
 - <u>Basic wages</u>: € 969-1.746
 - Average wage: € 1085-1128 in 2021 (IRSSV, 2022), which is slightly above MW

Home provision of long-term care

Community nursing and home care – part of healthcare provision

- Preventive activity and curative care for the most vulnerable groups
- Provision organised at the level of primary health care
- Financed by the health insurance, but universal entitlement
- Educational requirements:
 - community health nurse university
 - healthcare assistant high-school
- Forms of employment: no data, probably mostly standard
- Industrial relations:
 - Covered by public sector CA (including concessionaires);
 - <u>Basic wages</u>: € 1.888,62- 2.795,64
 - Average wages for occupational group 2221: € 2.625 in 2021 (SURS, <u>SI-STAT</u>)

Home provision of long-term care

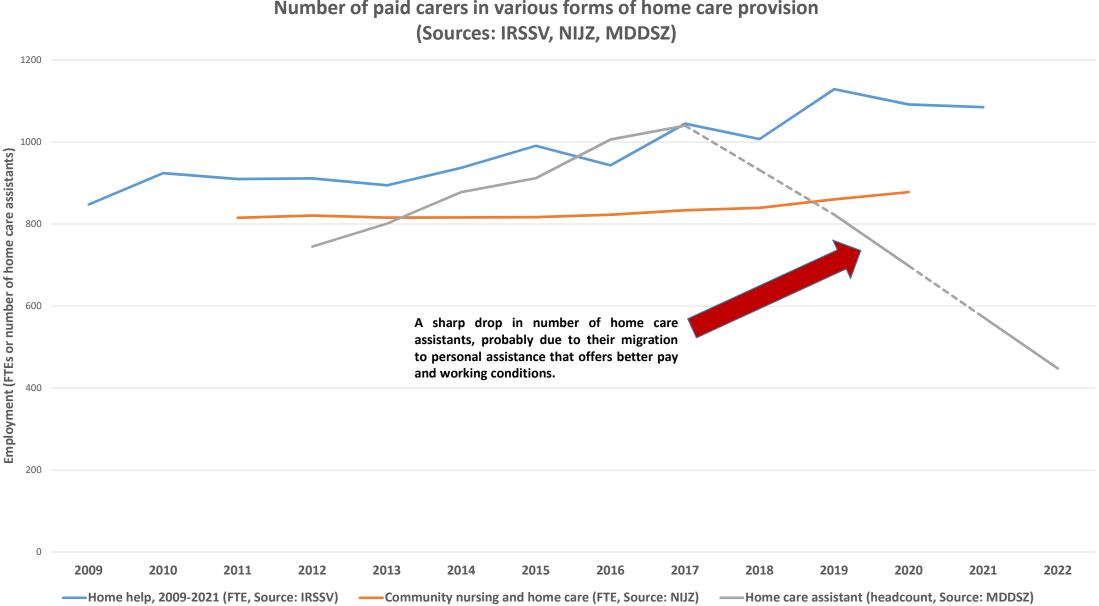
Personal assistance: people with disabilities, aged 18-65), >30h/month

- Organised by disability and humanitarian organisations and other institutions
- Enhancing independence and quality of life of people in need of support (MDDSZ)
- Financed by the national budget
- No educational requirements, but a <u>course</u> of 6 hrs for user and assistant
- Forms of employment in <u>2020</u>:
 - Contract of employment: standard cca 60%, fixed-term 25%,
 - Other forms: self-employed cca 6%, other forms 9%
- Industrial relations
 - No CA, but regulated by the Rules on personal assistance and Personal Assistance Act
 - <u>Basic wage</u> set in accordance to public sector CA: € 1.179,63-1.226,82 (2023)
 - Actual wage composed of basic wage and supplements (Rules on personal assistance)
 - Strike of personal assistants going on as we speak

Home provision of long-term care

Home care assistant: developmental disorder or impaired mobility

- Financed by the state budget (previously municipality), and recipient
- An alternative to institutional care alleged homeliness and intimacy ...
- Home care assistant lives at the same address as recipient (mostly family)
- Home care assistant a hybrid form of employment
 - Paid (1,2 MW = € 1289,32 in 2022), but **not** an employment relationship
 - No employment rights (sick leave, annual leave, various allowances etc.)
 - Paid pension contributions
- No formal employer no industrial relations institutions



Number of paid carers in various forms of home care provision

Non-care PHS

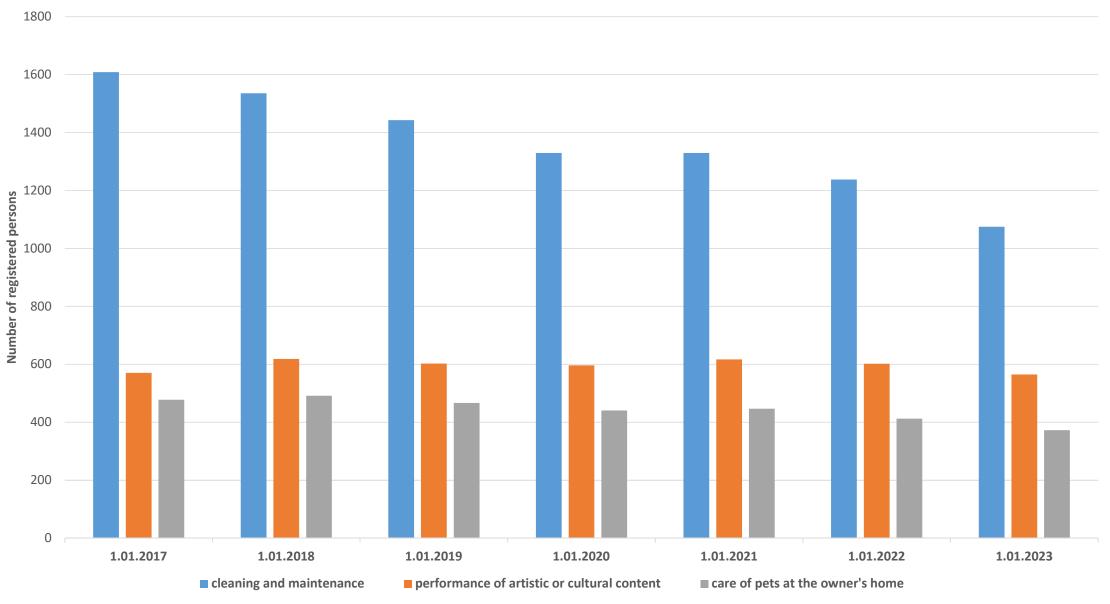
Non-care PHS

No specific regulation of non-care PHS.

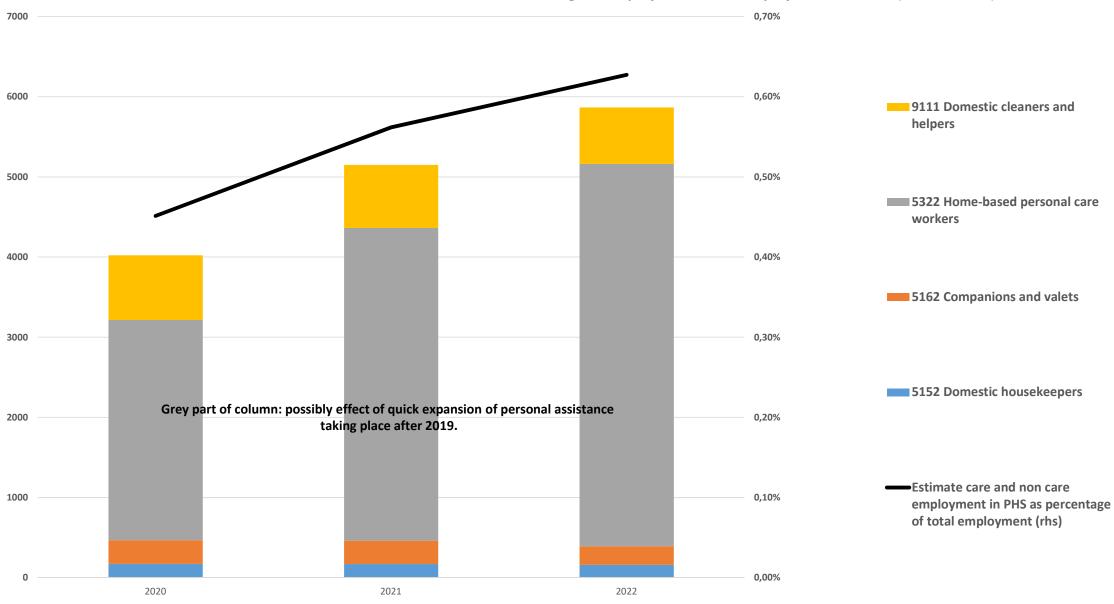
• Platforms for non-care PHS – but only establishing the first contact.

However, certain non-care PHS can be occasionally performed as PSW:

- cleaning of residential areas and maintenance of associated outdoor areas
- performance of artistic or cultural content at private events
- care of pets at the owner's home



Supplementary personal work, cleaning & maintenance, art performing, care of pets, 2017-2023 (Source: AJPES)



A conservative estimate of number of PHS workers in Slovenia, regular employees and self-employed, 2020-2023 (Source: SURS)

Issues and gaps of PHS

While there is an emergent crisis of labour shortages in elderly homes, policy is pushing care provision on the shoulders of households ...

e.g. expansion of hybrid forms new law on long-term care while restricting access to and worsening working conditions in personal assistance.

... and planned measures that could expand undeclared work.

e.g. increased reliance on cash transfers (the Austrian way?) instead of service provision.

Thank you